



Bayer AG
Communications and
Public Affairs
51368 Leverkusen
Germany
Phone +49 214 30-1
www.news.bayer.com

News Release

Milestone on Bayer's path to completing the planned acquisition of Monsanto:

Bayer signs agreement to sell selected Crop Science businesses to BASF for EUR 5.9 billion

- Package includes global glufosinate-ammonium business and selected seeds activities
- Assets generated total sales of EUR 1.3 billion in 2016
- Sale is subject to successful closing of Bayer's acquisition of Monsanto
- BASF has committed to maintain employment for all transferring permanent employees for at least three years post closing

Leverkusen, October 13, 2017 – In light of the planned acquisition of Monsanto, Bayer has signed an agreement to sell selected Crop Science businesses to BASF for EUR 5.9 billion. The assets to be sold generated net sales of approximately EUR 1.3 billion in 2016. "We are taking an active approach to address potential regulatory concerns, with the goal of facilitating a successful close of the Monsanto transaction," explained Werner Baumann, Chairman of the Board of Management of Bayer AG. "At the same time, we are pleased that, in BASF, we have found a strong buyer for our businesses that will continue to serve the needs of growers and offer our employees long-term prospects." The transaction is subject to regulatory approvals as well as the successful closing of Bayer's acquisition of Monsanto.

The assets to be sold include Bayer's global glufosinate-ammonium business and the related LibertyLink™ technology for herbicide tolerance, essentially all of the company's field crop seeds businesses, as well as respective research and development capabilities. The seeds businesses being divested include the global cotton seed business (excluding India and South Africa), the North American and European canola seed businesses and the soybean seed business. The transaction includes the transfer of relevant intellectual property and facilities, as well as more than 1,800 employees primarily in the United

States, Germany, Brazil, Canada and Belgium. As part of the agreement, BASF has committed to maintain all permanent positions, under similar conditions, for at least three years after closing of the transaction.

“We are very grateful to our employees, who have played a key role in the success of these businesses over the years,” said Baumann. “At the same time, we are aware of the need to address certain overlaps in the combined product portfolio of Bayer and Monsanto.” Bayer continues to work diligently with the relevant authorities with the aim of closing the planned acquisition of Monsanto by early 2018.

“With this acquisition, we are seizing the opportunity to purchase highly attractive assets in key row crops and markets. We look forward to growing these innovative and profitable businesses and to welcoming the experienced and dedicated team in crop protection, seeds and traits. These businesses are an excellent match for BASF Group’s portfolio,” said Dr. Kurt Bock, Chairman of the Board of Executive Directors of BASF SE.

“I am very pleased that, in BASF, Bayer has selected an acquirer that, like our company, attaches a great deal of importance to social partnership and values its employees. I welcome the fact that BASF has committed to offering comparable employment conditions for our colleagues,” said Oliver Zühlke, Chairman of the Bayer Central Works Council.

Bayer will continue to own, operate and maintain these businesses until the closing of this divestiture. After the closure of the planned Monsanto acquisition, Bayer will continue to be active in these same areas as a result of Monsanto’s current programs, products and offerings.

The base purchase price of EUR 5.9 billion excludes the value of any net working capital and will be subject to customary adjustments at closing, including the value of any inventories transferred to BASF. Bayer will use net proceeds from the announced divestiture to partially refinance the planned acquisition of Monsanto. Bayer will provide an update on the total expected synergies from the Monsanto acquisition latest upon closing of the transaction.

BofA Merrill Lynch and Credit Suisse are acting as financial advisors to Bayer. Bayer's legal advisors are Sullivan & Cromwell, Dentons, Cohen & Grigsby and Redeker, Sellner & Dahs.

Contact:

Christian Hartel, phone +49 214 30-47686

Email: christian.hartel@bayer.com

Dr. Rolf Ackermann, phone +49 214 30-41782

Email: rolf.ackermann@bayer.com

For more information go to www.bayer.com.

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